

AGREEMENT

BETWEEN

L-3 COMMUNICATIONS LINK SIMULATION & TRAINING

AND

LOCAL LODGE 2793

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND
AEROSPACE WORKERS, AFL-CIO**

MERIDIAN NAS, MISSISSIPPI

October 1, 2002 - September 30, 2005

PREAMBLE

The Parties have entered into this Agreement for the purpose of setting forth in writing the understandings they have reached with respect to wages, work hours, and working conditions of the employees covered hereby, as well as to the rights of the Company and the Union, and to provide a peaceful means for the settlement of any disputes which may arise with respect to the interpretation or application of their understandings and agreements as set forth herein.

For purposes of simplicity, the masculine gender is used throughout this agreement although it is understood that all references to gender include both sexes.

AGREEMENT

This Agreement made and entered into this July 24, 2002 by and between L-3 Communications Link Simulation & Training, NAS Meridian, MS (hereinafter referred to as the Company) and the International Association of Machinists and Aerospace Workers, AFL-CIO, and its Local No. 2793 (hereinafter jointly and severally referred to as the Union).

This agreement shall begin October 1, 2002 and remain in effect until midnight on September 30th, 2005 without reopening rights for any purpose by either party. This agreement shall automatically renew itself from year to year thereafter unless written notice of desire to terminate the Agreement is given by either party at least sixty (60) calendar days prior to September 30th, 2005 or at least sixty (60) calendar days prior to any annual expiration date thereafter. If such written notice of desire to terminate is given, the parties may nevertheless mutually agree in writing to extend this Agreement for a specified length of time beyond the expiration date.

ARTICLE I RECOGNITION

Section 1. The Company hereby recognizes the Union as the sole and exclusive bargaining representative for all full time and regular part-time production and maintenance employees and technicians employed by the employer at its facility located at the Naval Air Station in Meridian, Mississippi. This agreement excludes office clerical employees, temporary employees, managers, professional employees and supervisors as defined in the Act.

Section 2. If any of the specific provisions of this Agreement are rendered unlawful by changes in the law, the Company and the Union will meet and discuss any changes which may be necessary to conform to the terms of the contract with the requirements of the law. All other provisions not affected shall remain in full force and effect.

ARTICLE II NON-DISCRIMINATION

The Company and the Union separately and jointly recognize their obligation to abide by all State and Federal laws, including but not limited to those laws related to equal employment opportunity, OSHA and non-discrimination. This Agreement shall be applied fairly and shall not in any way be used to discriminate against employees on account of race, color, religious affiliation, sex, age, national origin, veteran or disability status.

ARTICLE III MANAGEMENT RIGHTS

Section 1. The Company retains, solely and exclusively, all the rights, powers and authority exercised or possessed by it prior to the execution of this Agreement and shall have the exclusive right to exercise all said rights, powers, and authority in the management of the facility and the direction of the working force, except as otherwise specifically provided in this Agreement. The exercise of said rights, powers, and authority does not require any prior discussion or negotiation with the Union, as any bargaining obligation encompassing the exercise of said rights, powers and authority is hereby expressly waived by the Union. Said rights include, but are not limited to the right to employ, assign, transfer, promote, reclassify, layoff, discipline, and discharge employees for just cause; to determine staffing levels, employees' duties, and the number of hours to be worked; including the quality and quantity of output and the work methods for achieving same; to create, modify, combine or abolish job classifications, departments and facilities in whole or in part; to determine work schedules, starting and stopping times, and overtime; to promulgate and enforce reasonable work rules, policies and standards, to close or relocate its operations and facilities in whole or in part; and to make technological changes as it deems appropriate.

Section 2. The Union and employees shall be notified prior to the enforcement of new work rules or changes in existing work rules.

ARTICLE IV UNION ACCESS TO OPERATIONS

Section 1. The Company agrees that the business representative or acting business representative will be allowed to visit employees while they are on the job in the Company's operations for the sole purpose of investigating specific grievances or complaints related to the provisions of this Agreement. Prior approval must be obtained from the Site Manager or his designee and such visits shall not interfere with production of work being performed. The union representative shall notify the Site Manager or his designee when he is leaving the Company's operations.

Section 2. The Company, if it desires, may have a Company representative accompany the business representative while he is visiting its operations.

ARTICLE V GRIEVANCE PROCEDURE

Section 1. A grievance is defined as a dispute concerning the meaning or application of an express term(s) of this Agreement, exclusive of the Management's Rights Article.

Step One: An employee who has a grievance shall first present the matter to his immediate supervisor verbally within five (5) working days following the event(s) giving rise to the grievance. The employee may have a Steward present during the meeting. A grievance settlement at Step One shall not constitute a precedent.

Step Two: If the employee is not satisfied with his Supervisor's disposition of the grievance at Step One, he may reduce it to writing on a mutually agreed upon form, which shall be signed by the Grievant and the Steward. Said grievance shall be submitted to the Site Manager within ten (10) working days following the event(s), giving rise to the grievance. The Site Manager may elect to hold a Step Two meeting to discuss the grievance, to include the Grievant and the Steward. Said meeting shall be held within five (5) working days following the submission of the

written grievance. If the grievance is settled, the resolution shall be reduced to writing and signed by both parties at the Step Two Meeting.

Settlements at Step Two shall not constitute a precedent. If the grievance is not resolved at the Step Two meeting, the Company shall issue a written answer to the grievance within five (5) working days following the Step Two Meeting.

Step Three: If the grievance is not resolved at Step Two, the Union may submit it to Step Three through a written letter of appeal to the Human Resources within five (5) working days following receipt of the Company's Step Two answer. The grievance shall be acknowledged as received at Step Three, with the date of receipt recorded on the grievance and a copy will be returned to the Union. The Human Resources Labor Relations Manager or his designee shall discuss the grievance with the Union Grievance Committee, the Grievant, and the Union Business Agent, in a meeting to be held within ten (10) working days following receipt of the Union's written appeal to Step Three. If the grievance is resolved said resolution shall be reduced to writing at the meeting and signed by both parties. If the grievance is not resolved, the Company shall issue a written answer to the Union within five (5) working days after the Step Three Meeting.

Step Four: If the grievance is not resolved in Step Three either party may elect to appeal the grievance to arbitration by making a written request for the same within ten (10) working days following the receipt of the Company's Step Three answer.

Section 2. The parties understand and agree that the time limits set forth in the various steps of the grievance procedure are essential to the prompt resolution of the grievances. Accordingly, if such time limits are not abided by, except in those instances where the parties mutually agree in writing to extend such time limits, then in the event the Grievant and/or Union does not act within the time limits provided, the grievance shall be deemed to be withdrawn and forever settled and waived. In the event the Company fails to respond within the time limits provided, the grievance shall be automatically advanced to the next step of the grievance procedure provided, however, there must be a written request for arbitration as above set out. In cases involving suspension or discharge, Steps One and Two will be waived and the matter taken up with the Human Resources Labor Relations Manager or his designee within two (2) working days following such action by the Company.

Section 3. The grievance form shall contain the following information:

1. Name(s) of the employee(s) involved;
2. Approximate date of alleged grievance;
3. Date of first discussion of grievance with the Supervisor;
4. Date of Supervisor's answer;
5. Nature of grievance;
6. Date of presentation of written grievance; and
7. Section or sections of the contract alleged to have been violated.

Section 4. Upon receipt of a notice of desire to take a grievance to arbitration, the parties shall jointly request the Federal Mediation and Conciliation Services to furnish a panel of seven (7)

arbitrators registered with the American Arbitration Association (AAA) for the purpose of selecting an arbitrator.

Section 5. Only the Union or the Company may request arbitration of the other.

Section 6. Upon receipt of the panel, the parties shall make mutually satisfactory arrangements for the purpose of selecting an arbitrator by the process of alternately striking the names from the list until only one remains. The last remaining member shall serve as arbitrator. The party striking first shall alternate from panel to panel. Either party may reject one (1) panel. Upon such rejection, an additional panel shall be requested in writing from the Federal Mediation and Conciliation Services by the party rejecting such panel with a copy of such request to the other party.

Section 7. The arbitrator's authority shall be limited to disposition of the grievance arising under the contract, and he may only interpret and apply the contract provisions to the facts of the particular grievance. The arbitrator shall have no power or authority to change, alter, modify, detract from or add to the terms of this Agreement.

Section 8. The arbitrator's award shall be final and binding upon the Company, the Union, and the employee.

Section 9. The fees and costs of the arbitrator shall be borne by the losing party. Each party shall otherwise pay its own cost and expenses.

ARTICLE VI NO STRIKE/NO LOCKOUT

Section 1. The Union agrees that neither it nor any of the employees in the bargaining unit, covered by this Agreement will collectively or individually engage in or participate in any strike, slowdown or stoppage of work during the term of the Agreement and the Company agrees that during the term of this Agreement it will not lock out any of the employees covered by the Agreement.

Section 2. In the event of any violation of Section 1 of this Article, it shall be the duty and obligation of the Union, its officers, agents, or representatives (employee or non-employee) to immediately take all reasonable steps required to bring an end to such misconduct.

ARTICLE VII BULLETIN BOARDS

The Company agrees to provide one (1) bulletin board for the posting of legitimate Union notices pertinent to the Union at the NAS Meridian, MS facility. Only notices concerning Union meetings, Union elections, results of Union elections, etc., which the President or Secretary of the Union has authorized, will be posted. The Union agrees that all notices will be submitted to the Site Manager, or his designee, for review and approval prior to their posting.

ARTICLE VIII BARGAINING UNIT WORK

The Site Manager may perform work which, in his opinion, is required to maintain satisfactory contract performance. However, it is understood that there will be only one (1) Site Manager at the site and the work performed by the Site Manager will not cause a bargaining unit employee to be laid off or displaced. Company employees in job classification not covered by this

Agreement shall not perform work normally performed by employees in the bargaining unit, except in cases of emergency, research work, audit, experimental, or work of a special mechanical nature, (e.g. installation of modifications, when necessary), special training of Company employees from other locations, or to instruct employees properly. The term "Emergency" is defined to mean an unforeseen combination of circumstances. This Article shall not be construed to prevent employees outside the bargaining unit from performing work normally within their regular duties.

ARTICLE IX SENIORITY

Section 1. Probationary Period: Any employee who has been in the employment of the Company for ninety (90) consecutive calendar days shall be considered a Seniority Employee of the Company. During the probationary period the employee shall be subject to layoff, discipline, or discharge at the sole discretion of the Company, and such action shall not be subject to the grievance procedure.

Section 2. Definitions:

- a) Seniority is defined as including the whole span of continuous service with the present contractor, or successor, and with predecessor contractors, in the performance of the T-45 program at NAS Meridian, Mississippi.
- b) Seniority will not be broken for: (1) periods of approved absence with leave, (2) periods of layoff due to lack of work, (3) periods of absence due to injury or illness. Periods of absence set forth in (2) and (3) shall not exceed 24 months. In the case of occupational injuries, continuous employment will be for the length of the disability.
- c) Part time employees are not eligible for any contractual seniority rights as specified.

Section 3. Loss of Seniority: All seniority of any employee shall terminate if the employee:

- a. Resigns.
- b. Is discharged for violation of Company Rules.
- c. Is on layoff status in excess of 24 months.
- d. Is barred by the customer's written order or whose security clearance has been revoked and is not legally reinstated. This paragraph is subject to the conditions noted in the "Security" Article.
- e. Refuses recall.

Section 4. Seniority List: A seniority list will be maintained by the Company and will be made available to the Union semi-annually. The Company will also furnish a list to the Union reflecting new-hires or rehires, their classification, their date of hire, and termination or layoff dates.

ARTICLE X FILLING OF VACANCIES

Section 1. If the Company determines to fill a new or existing job within the bargaining unit, the Company will post a notice of vacancy or job opening on the bulletin board described previously for a period of not less than five (5) working days. Subject to the provisions of Section 3, any employee may submit a bid for the job to the Company's Site Manager, in writing, during the posting period. The notice posted declaring that such vacancy or job opening is to be filled shall contain at least the following information:

- a. The date the notice is posted and the date and time the notice will be removed;
- b. The job to be filled and the classification;
- c. Job Specifications;
- d. Rate of Pay;
- e. Effective date the job is to be filled. The Union's Steward will be furnished a copy of any bid upon request.

Section 2. The Company will award the job to the qualified senior employee with respect to:

- 1) related experience;
- 2) previous training; and
- 3) ability to perform the work.

If two or more employees bidding the job are essentially equal with respect to 1, 2, and 3, then the most senior employee will be awarded the job. The Company retains the discretion to utilize external sources to staff unit positions when qualified individuals do not respond to the job posting during the posting period or are found to not exist within the bargaining unit employees that respond to the job posting.

Section 3. Restrictions on Bidding. An employee who is awarded a job for which he bid must accept it providing the award is made within fifteen work days of the effective date that the job is scheduled to be filled as provided in Section 1e of this Article, otherwise the employee shall have the option of withdrawing his bid. If the employee's designated job classification was in the same labor grade as, or a higher paid labor grade than the posted job being awarded, the employee may not bid for another job for a period of twelve (12) months after being awarded the job, unless agreed upon by both parties.

Section 4. Disqualification of Bidder. An employee who is unable to perform the job to which he bid to the satisfaction of the Company within thirty (30) calendar days after being awarded the job shall be returned to the job classification and labor grade he held at the time of submitting the bid. The employee will be told the reasons for such disqualification.

Section 5. Business Travel. Management will select candidates for temporary assignments based on the qualifications required to perform the tasks. The most senior qualified employees will be asked to volunteer for the temporary assignments. If no volunteers are available, Management may require the least senior qualified employee to take the temporary assignment.

Employees who travel from NAS-Meridian, MS-to perform work for the Company will be furnished transportation designated by the Company. Air travel will be on the carrier designated by the Company. All air travel will be coach/economy/tourist class. Employees may be authorized to use their personal cars POV) and will be reimbursed for travel as specified below.

Travel expenses will be reimbursed in accordance with the Company operational procedure for Expense Reporting.

ARTICLE XI HOURS OF WORK

Section 1. The purpose of this Article is to define the normal hours of work but nothing in this Agreement shall be construed as a guarantee of hours of work or pay for any period.

Section 2. The employee's regular assigned work week may consist of:

- a) Five (5) consecutive eight (8) hour days normally beginning on Monday or no earlier than 10:00 PM Sunday.
- b) Four (4) consecutive 10 hour days
- c) Other schedule as agreed to by both parties.

Section 3. The employee's assigned work week shall begin with the starting of the employee's first twenty-four hour period as defined in Section 2 and shall end 168 hours later.

Section 4. Determination of starting time and hours of work shall be made by the Company and such schedules may be changed from time to time to suit varying conditions of business. The starting time of the various shifts will be as follows:

First Shift: Beginning at or after 4:00 a.m. but before noon

Second Shift: Beginning at or after noon but before 6:00 p.m.

Third Shift: Beginning at or after 6:00 p.m. but before 4:00 a.m.

Section 5. Employees will be allowed one (1) scheduled ten (10) minute rest period before and one (1) ten (10) minute rest period after lunch in each complete work day. Said rest periods are to be taken when work permits. Employees scheduled to work four (4) or more hours of overtime shall be entitled to a ten (10) minute rest period as the regularly scheduled rest period on the shift the overtime is worked, after working the second hour of overtime. Employees shall work up to the start of the rest period and be at their place of work at the end of the rest period.

Section 6. If no regular work is available the Company will give the employees the option to do any available work or take time off, the employees affected shall have the option to perform the available work, use vacation or take time off without pay.

Section 7. An employee who is scheduled and reports for work at the scheduled time without having been notified not to so report, shall be given 4 hours work of any type which is available, or if no such work is available, he shall be given 4 hours pay at his applicable rate; provided, however, that if work is not available as a result of circumstances beyond the control of the management, the Company shall not be so obligated.

Section 8. An employee who is called and reports back for work after he has completed his regularly assigned shift and departed from the premises shall receive a minimum of 4 hours pay at his applicable rate.

Section 9. When an employee is not scheduled, and is called and reports for work, outside his scheduled workweek, he shall receive a minimum of 4 hours work or 4 hours pay at the applicable rate unless the employee opts to leave when the work is completed.

Section 10. If an employee is specifically notified and scheduled to start work 4 hours or less before the starting time of his regularly scheduled shift, within his assigned workweek as set forth in Section 4, he shall be given the opportunity to remain at work until the end of his regular shift.

ARTICLE XII OVERTIME

Section 1. When the Company determines that an employee must perform work on an overtime basis, the following shall apply:

- a. Overtime will be paid at the rate of one and one-half times the regular rate of pay for all authorized hours worked in excess of forty (40) hours in the employee's assigned workweek, for which overtime has not previously been paid, provided that, for the purpose of this Section, hours worked shall include hours paid for but not worked, to include only holidays and vacation hours.

Section 2. There shall be no pyramiding of premium or overtime pay, and nothing in this Agreement shall be considered to require the payment of premium or overtime pay more than once for the same hours worked.

ARTICLE XIII LEAVE OF ABSENCE

Section 1. Personal Leave. The Company may approve a leave of absence without pay up to ninety (90) calendar days for personal reasons. Such leave must be requested in writing and approved by the Program Manager through the employee's supervisor. Said request must also state the reason for the unpaid leave. Employees must request such leave at least five (5) calendar days prior to the date the leave would commence, except in cases of emergency.

Section 2. Benefit Date Adjustment. An employee whose leave(s) of absence exceed(s) ninety (90) regular working days in a benefit year or whose leave of absence continues from one benefit year to another shall have their benefit date adjusted to the number of work days he/she was absent in excess of the ninety (90) regular work days, except for leaves resulting from occupational illness or injury, and leaves for Union activities.

Section 3. Failure to Return to Work from Leave of Absence. Failure to return from a leave of absence on the first scheduled workday following the expiration date of said leave, will result in termination of the employee, except in extenuating circumstances involving reasons acceptable to the Company.

Section 4. Leave for Union Activities.

- a. **Union Employment** -An employee elected or selected to a full time job in the local Union, AFL-CIO, or the International Union, which takes him from his employment with the Company, shall upon written request to the Company receive leave of absence, without pay, for a period up to three (3) months. Upon completion of his leave of absence during the existence of this Agreement, he shall be reemployed according to his seniority in work generally similar to that which he did last prior to leaving at the wage rates existing at the time of his return, provided such work is available for him according to his seniority, and he has the ability to perform such work. Seniority shall accumulate during such leave of absence.
- b. **State Conventions** -Leaves of absence without pay shall be granted by the Company on seven (7) days written request of the Union, to Union representatives in a number not to exceed that allotted by the International Union, in accordance with its constitution for the purpose of attending national
- c. **Conventions of the Union**, and to Union representatives in number not to exceed that allotted by the State Federation of Labor, in accordance with its constitution for the purpose of attending state conventions of the Union, local and district lodge auditing committees, tellers in local and district lodge elections, and official Union schools, but in no event is the number to exceed a total of one (1) employee per bargaining unit. The Company may waive the seven (7) day notice when calls are of an emergency nature. It is the intention of the Union to honor and respect the requirements of production in requests for leaves of absence for such delegates.

Section 5. Short Term Military Annual Leave. Employees ordered to active duty for annual training with the National Guard or organized military reserve units, shall be granted a leave of absence not to exceed a maximum of ten (10) working days each fiscal year, provided the employee furnishes the Company a copy of their military orders at the time the leave is requested. Such leave of absence shall be referred to as military leave. Employees may request vacation pay while on an approved military leave. Employees will be paid the difference between their regular base pay and their military pay, provided a Leave and Earnings Statement is submitted.

ARTICLE XIV CHECK OFF

During the existence of the Agreement, the Company, insofar as permitted by State and Federal law, shall deduct out of the current net earnings payable biweekly to an employee covered by the Agreement, applicable service fees or Union dues, initiation fees and reinstatement fees, upon receipt of and in accordance with a deduction authorization, duly executed by the employee, on a card as agreed upon between the Company and the Union and shall continue deductions until such authorization is duly revoked by the employee.

ARTICLE XV INSTALLATION OF NEW AND REVISED JOB CLASSIFICATIONS

Section 1. As provided in the Management's Rights Article, Management retains the sole discretion to create, abolish or revise job classifications together with job descriptions and rates

of pay therefor. The Company agrees that it will notify the Union by certified mail when any of the foregoing occurs.

Section 2. In the event the Union desires to confer only with respect to the wage rate assigned to such new or revised job classification, it shall notify the Program Manager by certified mail within fifteen (15) working days of receipt of the letter referred to in Section 1, requesting a conference which shall be held within five (5) working days following receipt by the Company of the Union's letter. The meeting shall be scheduled with the following in attendance: The Union Business Agent; the Shop Steward; the Program Manager; and the Supervisor from the affected area.

Upon request, the Union shall be given the opportunity to view the work operations in the affected area. In the event agreement is not reached within such five (5) working day period, the Company may then place the job classification into effect.

Section 3. If the Union so desires, it may refer its contention of the wage rate to the grievance procedure, within twenty (20) working days from the date of receipt of the Company letter referred to in Section 1. Such grievance shall be confined to the wage rate assigned and placed into step two of the grievance procedure. No other provisions under this Article shall be subject to the grievance procedure.

ARTICLE XVI ASSIGNMENT OF SHOP STEWARDS

Section 1. It is hereby understood and agreed that the Union may assign one (1) Shop Steward to represent Bargaining Unit employees and one (1) alternate Shop Steward. The alternate Shop Steward shall only act in the absence of the Shop Steward.

The Union shall notify the Company in writing on Union letterhead of the individuals so selected in this capacity.

Section 2. It is agreed that Stewards have full-time job duties to perform as employees and that they shall keep time spent in handling grievances to a minimum.

Section 3. Should a Steward be required to leave the job to handle a grievance, he shall first request the permission of his Supervisor, and shall report to his Supervisor upon returning to work. When a Steward makes the effort to comply herein, permission to leave the job to handle a grievance shall not be unreasonably withheld.

ARTICLE XVII SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns; but in the event the Company ceases to perform on the contract as identified in Article 1, the Company shall be released from all obligations on the project(s) so affected under this Agreement.

ARTICLE XVIII SUBSTANCE ABUSE POLICY

The Company and the Union are committed to providing employees with a drug-free and alcohol-free workplace. It is our goal to protect the health and safety of employees and to

promote a productive workplace, and protect the reputation of the Company, Union and employees.

Consistent with these goals, the Company prohibits the use, possession, distribution or sale of drugs, drug paraphernalia or alcohol on Company premises. A program of testing, if necessary to comply with Federal or State regulations, will be instituted upon mutual consent of the Company and the Union.

Pre-employment drug testing is a condition of employment.

ARTICLE XIX MISCELLANEOUS

Section 1. The Company will attempt to provide adequate storage areas for securing employee(s) personal belongings:

- a) The company is not responsible for value or replacement of personal belongings.
- b) Employee(s) will furnish their own padlocks.

Section 2. Employee Misconduct. If an employee is barred from the base, by the customer, the employee may be terminated without recourse to the grievance or arbitration procedures.

Section 3. Shop Steward Seniority. The Shop Steward by virtue of his position will become the most senior employee in his job classification for purposes of layoff.

ARTICLE XX WAGES

The wage rates listed below will be effective for the term of this Agreement and apply to all Bargaining Unit employees at the Company's NAS Meridian, MS facility. An employee's regular rate of pay shall be defined as his straight time hourly rate. These increases will be effective as indicated below.

Classification	10/01/02 Hourly Rate	10/01/03 Hourly Rate	10/01/04 Hourly Rate
Supply Technician	\$12.00	\$12.42	\$12.85
Maintenance Electronics Technician I	\$16.05	\$16.61	\$17.19
Maintenance Electronics Technician II	\$20.75	\$21.48	\$22.23
Maintenance Electronics Technician III	\$23.30	\$24.12	\$24.96

Effective October 1, 2002 lead differential pay of \$0.50 per hour will be paid on lead employee's base hourly rate for all hours worked.

ARTICLE XXI HOLIDAYS

Each year the following ten (10) days are to be paid holidays:

New Year's Day
Martin Luther King, Jr.'s Birthday
Washington's Birthday
Memorial Day
Independence Day
Labor Day
Columbus Day
Veteran's Day
Thanksgiving Day
Christmas Day

Any holiday falling on a Saturday or Sunday will be celebrated on the day set by the Federal Government.

ARTICLE XXII VACATION

Section 1. Allowances. The vacation year for eligibility and service credit shall be from Company benefit date to Company benefit date. Paid vacation will be awarded as follows:

- a. An employee with two (2) years of service, but less than five (5) years of service will be awarded 80 hours of vacation annually. New employees will receive forty (40) hours of vacation after their first six months of service and forty (40) hours of vacation on the completion of their first year of service.
- b. An employee with five (5) years of service, but less than fifteen (15) years of service, will be awarded 120 hours of vacation annually.
- c. An employee with fifteen (15) or more years of service will be awarded 160 hours of vacation annually.
- d. Employees may carry over a maximum of 24 hours from one benefit year to the next.

Section 2. Pay in-Lieu of Time-off. There will be no pay in-lieu of time-off for vacation. The intent of this provision is to cause each employee to use the vacation awarded for time-off. Terminating employees will be paid for all unused-awarded vacation.

Section 3. Scheduling. Vacation requests must be made in writing to their supervisor fourteen (14) calendar days prior to the vacation start date. The Company reserves the right to approve or deny vacation requests based on business operations. Vacation requests will be approved based on seniority. Vacation may be used in increments of no less than one (1) hour.

ARTICLE XXIII JURY DUTY

Employees summoned to serve on jury duty will be granted time off not to exceed the limits of the prevailing state law or up to 10 days of service, whichever is greater. The Company shall compensate the employee for each regular workday so spent, as specified by the governing statute regarding jury duty. If no compensation provision is specified by statute, the employee will receive the difference between gross fees received and the employee's regular earnings that would have paid for an eight (8) hour shift for each day of service. Notice of jury duty must be given to the Company upon receipt of a jury summons, and proof of such service must be submitted to the satisfaction of the Company before this Article shall apply.

Any employee scheduled to work third shift when he is called for jury duty shall not be requested to work the night before he is required to report for jury duty, and shall receive payment as outlined above.

Employees summoned to jury duty that are released by the Court with less than four (4) hours of service shall return to work.

ARTICLE XXIV BEREAVEMENT LEAVE

Section 1. An employee with the Company shall be given up to three (3) paid workdays off to attend the funeral of his immediate family.

"Immediate family" shall be considered as follows:

Spouse, parent, parent of spouse, legal guardian, child, brother, sister, stepparent, stepparent of spouse, stepchild, stepbrother, stepsister, grandchild, grandparent, and grandparent of spouse, brother in-law, sister in-law or any relative residing in the same household of the employee.

Section 2. Up to two (2) additional unpaid workdays may be authorized upon request for out-of-state travel in conjunction with a bereavement leave. An employee may elect to use vacation time in lieu of the unpaid days.

Section 3. Employees may be required to provide proof of claim.

ARTICLE XXV SICK LEAVE

The use of sick leave is provided to cover incidence of personal or immediate family illness. Twenty-four (24) hours sick leave will be awarded upon employment and every benefit date thereafter. Sick leave may be taken in increments of no less than one hour. Unused sick leave during any benefit year will not be carried into the next year and unused sick leave balances will not be paid out. Terminating employees will not receive payment for unused sick leave. Sick leave will be paid at an employee's regular rate of pay.

ARTICLE XXVI HEALTH & WELFARE

Section 1. Effective October 1, 2002, the Company will provide each employee the amount of \$3.00 per hour worked, and also pay the same amount for any contractual paid time off to a maximum forty (40) hours per week, for the purchase of Health and Welfare benefits if the employee wishes to do so. This rate will increase on January 1, 2003 to \$3.50 per hour and on

January 1, 2004 to \$4.00 per hour. All benefits will be offered in accordance with the Company's negotiated plans for the Meridian, MS location. Any unused moneys will remain with the employee.

Section 2. In the event that a National Health Care Insurance Plan is enacted by Congress during the term of this Agreement, the Company will meet with the Union regarding contemplated changes prior to implementing said changes.

Section 3. Employees may also purchase the following employee benefits offered by the Company. The current package of employee benefits in which the premium cost is borne by the employee, shall be provided for the term of this Agreement, including:

- 1) Flexible Spending Accounts,
- 2) Group Universal Life Insurance (GUL);
- 3) Accidental Death & Dismemberment Insurance;
- 4) Short Term Disability (STD) Insurance and
- 5) Long Term Disability (LTD) Insurance.

The benefit levels available are described in the respective plan documents. The document and benefit levels may be amended at anytime at the Company's sole discretion, however, no such amendments shall be made for the bargaining unit members unless the same amendments are made for the non-bargaining unit employees.

Section 4. The Company shall provide Travel and Accident Insurance to employees traveling on authorized company business at no cost to the employee.

Section 5. All Group Insurance coverage will begin after enrollment as specified in each plan document.

ARTICLE XXVII SHIFT DIFFERENTIAL

Each employee working on the second or third shift shall be paid in addition to his regular rate of pay \$0.70 per hour for each hour worked on such shift.

ARTICLE XXVIII SAVINGS PLAN

Section 1. The Company will provide that the L-3 Communications Master Savings Plan shall be made available to those eligible employees covered by this Agreement.

In accordance with provisions of the plan:

- a. Employees may elect to participate in the plan after completing ninety (90) calendar days of service;
- b. Employees may contribute between one percent (1%) and eighteen percent (18%) of their qualifying compensation in increments of one percent (1%);
- c. The employee's contribution may be invested in any offered option;

- d. Employees are always fully vested in their pre-tax, after-tax and rollover contributions and investment earnings to these amounts.

Section 2. The Employer shall qualify, re-qualify and amend the L-3 Communications Master Savings Plan and any administrative procedure or operational rule relating thereto as necessary and at such times as may be necessary in order to comply with the requirements of the Employee Retirement Income Security Act of 1974 as it may be amended, and any regulation or other administrative ruling issued thereunder, or any other present or future law regulation or ruling issued under such law requiring amendment or administrative modification of the L-3 Communications Master Savings Plan or which are either necessary or desirable in order to qualify the Master Savings Plan under the applicable provisions of the Internal Revenue Code.

Section 3. The Company match will be effective October 1, 2002. Current employees who have completed ninety (90) calendar days of service with the Company and are participating in the plan on October 1, 2002 or later will receive a Company matching contribution of one dollar for each dollar of the employee's combined pre-tax and after-tax contributions up to 4% of compensation. Pre-tax and after-tax contributions that exceed 4% of the employee's contribution are not matched. New hires are eligible to participate in the plan and receive the Company match following the completion of ninety (90) calendar days of service.

Employer matching contributions will be made in the form of common stock of L-3 Communications Holding, Inc. ("L-3 Stock"), the parent company of L-3, and will be invested in the L-3 Stock Fund.

Employees currently employed by the Company will become vested in the employer's matching contributions based on the following schedule: 25% after one (1) year of service; 50% after two (2) years of service; and 100% after three (3) years of service. Prior Company service will count toward the vesting schedule for the Company match. New hires will have the same vesting schedule.

ARTICLE XXIX SPECIFIC PERFORMANCE

Either party hereto shall be entitled to require specific performance of the provisions of this agreement.

There shall be no individual arrangements or agreement made covering any part or all of this Agreement contrary to the terms herein provided, and it is distinctly understood and agreed that all previous agreements, whether oral or written, by and between the Company and the Union are superseded by this agreement, and subject to any amendment that is agreed upon by both parties.

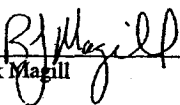
ARTICLE XXX TERM AND NOTICE OF CHANGE OR TERMINATION

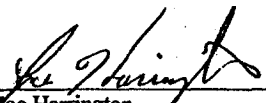
This Agreement shall be effective 30 September 2002 and shall continue in full force and effect through midnight on 30 September 2005, and therefore be automatically renewed from year to year unless the party desiring termination or modification of the agreement serves written notice, by certified mail, upon the other party at least sixty (60) days prior to the expiration date of the agreement.


In witness whereof, the parties have caused this agreement to be executed by their authorized representative on the 24th day of July, 2002.

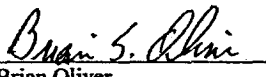
For L-3 Communications,
Link Simulation & Training

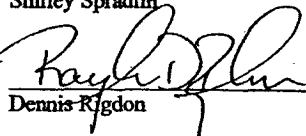
For the Union


Rick Magill


Joe Harrington


Shirley Spradlin


Brian Oliver


Dennis Rigdon